

INVESTMENT VIEWS AND THE OUTLOOK

Market Letters Contain Warnings of Caution Based on Week's High Points.

SEE CORRECTIVE DECLINE

Extraordinary and Erratic Moves Are Expected During Labor Crisis.

Market letters, written generally before the declines in Saturday's extraordinary session, although they failed to forecast the bear drive, were filled with advices of caution and conservatism based on high points scored during the week. The general opinion after Saturday's close appeared to be that the declines were in the nature of a corrective in the case of securities, which had advanced too rapidly, but it was suggested that extraordinary and erratic movements could be expected until the labor crisis should come to a head. Excerpts from letters sent out over the week end follow:

J. S. Bach & Co. say: "The disquieting factors relating to labor are offset by reluctance of many holders to take profits, with income tax regulations waiting to swallow a good part of them. Another reason is that industrial securities are firmly held because large profits have advanced stock values beyond present prices. In the absence of money restrictions we see no reason why the market should have any serious decline at this time."

Lamborn & Co. say: "The recent perpendicular and sectional advances in specialties are logical steps to bring the market corrective. However, we would repeat our advice to exercise discrimination in committing."

Advise Profit Taking.

Paine Webber & Co. say: "The aggregate of funds required to carry on the present investment and speculative movement is very large and if industrial and commercial activity increases there will come a time when restrictions of money will force a correction to be incurred. So long as stocks continue to advance, interest charges are a minor element. This is not true where prices remain practically unchanged or are inclined to react and such a situation would lead to sales of stocks in greater amounts. It must be admitted that current market conditions are extraordinary and that the market is in liquidation the general trend with due recessions may continue to be toward higher levels. We are still inclined to feel that profit taking and reasonable conservatism are advisable under all the circumstances involved."

Hampton & Co. say: "The market has by no means discounted everything, and it is fair to assume that a market that is a market run up on speculative hope cannot be permanently buoyed up in the face of adverse domestic developments." W. J. Wollman & Co. say: "The spirit of conservatism which must always be a part of good business judgment suggests that some days have been too good to last. Those whose real value have been too little investigated have been brought to the attention of the public. This seems to be a time when it is the part of wisdom to shift holdings to the class of securities which are sound, and in which the market is at its best now. It seems that many of the soundest securities are those which have been mostly neglected and which are cheapest."

MONEY STILL IMPORTANT FACTOR. Wren & Brown & Co. say: "The position of the stock market, already defined, has not changed in more than a superficial way. Money is still the most important factor, and the monetary situation is about the same as before except that we are now in the hollow of the wave instead of on its crest. Furthermore, there is much evidence that the captains of industry and finance are becoming more anxious in setting their house in order and taking care of future capital requirements than in promoting a bull movement. Therefore, the presumption is that the heavy new financing and the realizing by large interests will continue, and that this market of specialties will remain with us."

Richardson, Hill & Co. say: "The overextension of credit, under which Federal reserve banks are loaning \$400,000,000 on rediscounted commercial paper—an increase of 100 per cent in six weeks—is generally known and generally accepted as being responsible, reluctantly, but of late growing intelligently, in many instances, to the detriment of the market as a whole. Looking some distance ahead, we still believe fundamental conditions are working toward the creation of greater prosperity to the market, through an increasing volume of American production and distribution. But in order to reach this land of plenty via the stock market, too many people appear to be rushing with closed eyes, as it were, through obstacles. Collisions from time to time are inevitable, though not necessarily to the watched. Events are moving swiftly, and the coming fortnight promises a showdown on the part of organized labor which at least will remove some present uncertainties. Frequent and erratic movements are to be expected on the internal. The unprecedented number of stocks selling above \$100 a share accentuates the extent of their minor fluctuations."

MRS. LIBBEY HAS FINAL CUSTODY OF SON.

Granted \$200 a Month and the Custody of Son.

Justice Arthur S. Tompkins of the Supreme Court, at Mount Vernon, has granted a final decree of divorce to Mrs. Sarah C. Libbey of Bronxville, from Welding D. Libbey, said to be a wealthy resident of Manhattan. The interlocutory decree was signed by Justice Morsshauser three months ago.

The couple were married in Paris on September 25, 1906. Mrs. Libbey has been a resident of New York for two years. Under the terms of the judgment she may resume her maiden name of Sarah C. Lincoln if so she desires. Mrs. Libbey is allowed \$200 a month alimony and the custody of their eight-year-old son, Frederick Irving Libbey.

RED LITERATURE SEIZED.

Revolutionary Pamphlets Taken in Boston Raid.

Special Dispatch to THE SUN.

Boston, Mass., Oct. 26.—Military intelligence officers, operating under command of the Department of the Northwest, yesterday seized in Boston and vicinity a large amount of revolutionary literature. Most of the propaganda seized is in printed form and embodies rules, together with detailed instructions for the burning of buildings and shooting from concealed places, according to the intelligence officers.

The seizure of this Bolshevik literature was made in connection with the campaign being conducted in all parts of the United States by the army authorities against the activities of radicals, anarchists and the I. W. W.

COURT CALENDARS.

UNITED STATES DISTRICT COURT.

Southern District of New York
Before Special Master Philip J. McCook, Room 227, P. O. Building, at 10 A. M.
Robert's v. N. Y. Cons. Br.
Murphy, Same
Gasser, Same
Nancy, Same
Patterson, Same
Goldberg, Same
Davis, Same
Before Mayer, J.—Rooms 208 and 210, P. O. Building, at 10 A. M. Equity

Stahlberg Coes Dental Mfg.
Same v. First Nat'l Bank of City
Strauss Gas Imp. Co.
Simpson v. New York Building & Dry Dock Co.
Internal Signal Co.
Freeland Apparatus Co.
Banks v. Chatanooga Coal Co.
Amer. Mills
Armour, F. C. v. U. S. Envelope Co.
Wallace & Co. v. Republic Inc.

25 Post Office Building, At 10:30 A. M. Bankruptcy calendar.

Discharges:
F. W. L. v. Flashlight Battery Co.

Banks Lundwall Auto Co.

Cooper v. Int. Bus. Tr.

W. R. Webster v. City of N. Y.

Stifter v. Bled.

Levengood v. Prentiss.

Engelhard, S. H. v. Co.

Weckerer v. No Beach Inn.

McDonald, T. L. v. RR Co.

Friedman, George v. Crowley v. Raymond.

Arthur v. New York City

Co. of Pa.

Manners Famous Corp.

Sacks & Bryon v. Chatanooga Coal Co.

Hannigan, J. v. Amer. Mills

U. S. Envelope Co.

Wallace & Co. v. Republic Inc.

25 Post Office Building, At 10:30 A. M. Criminal calendar.

Bernard v. Dally.

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